



HEAD OFFICE:

73 Robert Street, Hamilton 21, Ontario

DIVISIONS:

International Iron & Metal Company
International Machinery Company
Weld-O-Matic Machines Company
Burland Realty & Equipment Company
Industrial Disposal Companies

SUBSIDIARIES:

Compressed Metals Limited
International Machinery (Quebec) Limited
Iron & Metal Incorporated
Cappco Pipe Piling Limited
Samteit Stores Fixtures & Refrigeration Limited

**INTERIM REPORT
TO
SHAREHOLDERS**

For the six months ended April 30, 1969



Interim Report to Shareholders:

The Directors are pleased to announce the interim earnings of Intermetco Limited for its initial six-month period. Net income for the six months ended April 30, 1969 was \$276,293, representing 26 cents per share.

Pursuant to the agreement dated February 21, 1969, the Company acquired all the shares of Samteit Store Fixtures & Refrigeration Limited on May 1, 1969. Net income of Samteit for the seven months ended April 30, 1969 was \$123,436. These earnings, when combined with those of Intermetco Limited, indicate combined net income of \$399,729, representing 28 cents per share on the average number of outstanding shares during the period.

With the acquisition of more sophisticated scrap processing equipment and the increased capacity of the recently acquired refrigeration company, it is expected that the shareholders may look forward to future growth with a commensurate increase in profits.

On behalf of the Board of Director,

F. P. Goldblatt, President.

June 10, 1969

INTERMETCO LIMITED

and subsidiary Companies

CONSOLIDATED STATEMENT OF INCOME For the six months ended April 30, 1969 (unaudited)

Sales	\$ 13,412,112
Cost of sales and operating expenses	12,490,790
Depreciation	289,982
Interest on long-term debt	71,322
Net income before income taxes	560,018
Income taxes	283,725
Net income (26 cents per share*)	276,293
Add net income of Samteit Store Fixtures & Refrigeration Limited for the seven months ended April 30, 1969	123,436
Combined net income (28 cents per share*)	\$ 399,729

*Based on average number of shares outstanding during period

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS For the six months ended April 30, 1969 (unaudited)

Funds provided by:

Net income	\$276,293	
Charges to income not requiring funds, including depreciation and deferred income taxes	300,384	\$576,677
Collections on mortgage and loans receivable		56,643
Partial repayment of interest in joint venture		2,000
		635,320

Funds applied to:

Long-term debt	\$ 50,699	
Fixed asset additions	347,045	
Financing costs	67,752	465,496
Decrease in working capital deficit		169,824
Working capital deficit, November 1, 1968		287,126
Working capital deficit, April 30, 1969		\$117,302